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SENATE BILL 5498

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State of Washington

60th Legislature

2007 Regular Session

By Senators Regala, Clements, Morton, Brandland, Pridemore, Delvin, Prentice, Hatfield and Rasmussen

Read first time 01/22/2007. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to revising voter-approved funding sources for  
2 local taxing districts; and amending RCW 82.14.450 and 84.55.050.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 82.14.450 and 2003 1st sp.s. c 24 s 2 are each amended  
5 to read as follows:

6 (1) A county legislative authority may submit an authorizing  
7 proposition to the county voters at a primary or general election and,  
8 if the proposition is approved by a majority of persons voting, impose  
9 a sales and use tax in accordance with the terms of this chapter. The  
10 title of each ballot measure must clearly state the purposes for which  
11 the proposed sales and use tax will be used. (~~Funds raised under this  
12 tax shall not supplant existing funds used for these purposes.~~) The  
13 rate of tax under this section shall not exceed three-tenths of one  
14 percent of the selling price in the case of a sales tax, or value of  
15 the article used, in the case of a use tax.

16 (2) The tax authorized in this section is in addition to any other  
17 taxes authorized by law and shall be collected from those persons who  
18 are taxable by the state under chapters 82.08 and 82.12 RCW upon the  
19 occurrence of any taxable event within the county.

1 (3) The retail sale or use of motor vehicles, and the lease of  
2 motor vehicles for up to the first thirty-six months of the lease, are  
3 exempt from tax imposed under this section.

4 (4) One-third of all money received under this section shall be  
5 used solely for criminal justice purposes. For the purposes of this  
6 subsection, "criminal justice purposes" means additional police  
7 protection, mitigation of congested court systems, or relief of  
8 overcrowded jails or other local correctional facilities.

9 (5) Money received under this section shall be shared between the  
10 county and the cities as follows: Sixty percent shall be retained by  
11 the county and forty percent shall be distributed on a per capita basis  
12 to cities in the county.

13 **Sec. 2.** RCW 84.55.050 and 2003 1st sp.s. c 24 s 4 are each amended  
14 to read as follows:

15 (1) Subject to any otherwise applicable statutory dollar rate  
16 limitations, regular property taxes may be levied by or for a taxing  
17 district in an amount exceeding the limitations provided for in this  
18 chapter if such levy is authorized by a proposition approved by a  
19 majority of the voters of the taxing district voting on the proposition  
20 at a general election held within the district or at a special election  
21 within the taxing district called by the district for the purpose of  
22 submitting such proposition to the voters. Any election held pursuant  
23 to this section shall be held not more than twelve months prior to the  
24 date on which the proposed levy is to be made, except as provided in  
25 subsection ~~((3)(b))~~ (2) of this section. The ballot of the  
26 proposition shall state the dollar rate proposed and shall clearly  
27 state ~~((any))~~ the conditions, if any, which are applicable under  
28 subsection ~~((3))~~ (4) of this section.

29 (2) Subject to statutory dollar limitations, a proposition placed  
30 before the voters under this section may authorize annual increases in  
31 levies for multiple consecutive years, up to six consecutive years,  
32 during which period each year's authorized maximum legal levy shall be  
33 used as the base upon which an increased levy limit for the succeeding  
34 year is computed, but the ballot proposition must state the dollar rate  
35 proposed only for the first year of the consecutive years and must  
36 state the limit factor, or a specified index to be used for determining  
37 a limit factor, such as the consumer price index, which need not be the

1 same for all years, by which the regular tax levy for the district may  
2 be increased in each of the subsequent consecutive years. Elections  
3 for this purpose must be held at a primary or general election. The  
4 title of each ballot measure must state the specific purposes for which  
5 the proposed annual increases during the specified period of up to six  
6 consecutive years shall be used.

7 (3) After a levy authorized pursuant to this section is made, the  
8 dollar amount of such levy shall be used for the purpose of computing  
9 the limitations for subsequent levies provided for in this chapter,  
10 except as provided in subsection(~~(3) and (4)~~) (5) of this section.

11 (~~(3)~~) (4) If expressly stated, a proposition placed before the  
12 voters under subsection (1) or (2) of this section may:

13 (a) Limit the period for which the increased levy is to be made;

14 (b) (~~Subject to statutory dollar limitations in RCW 84.52.043,~~  
15 ~~authorize annual increases in levies for any county, city, or town for~~  
16 ~~multiple consecutive years, up to six consecutive years, during which~~  
17 ~~period each year's authorized maximum legal levy shall be used as the~~  
18 ~~base upon which an increased levy limit for the succeeding year is~~  
19 ~~computed, but the ballot proposition must state the dollar rate~~  
20 ~~proposed only for the first year of the consecutive years and must~~  
21 ~~state the limit factor, or a specified index to be used for determining~~  
22 ~~a limit factor, such as the consumer price index, which need not be the~~  
23 ~~same for all years, by which the regular tax levy for the district may~~  
24 ~~be increased in each of the subsequent consecutive years. Elections~~  
25 ~~for this purpose must be held at a primary or general election. The~~  
26 ~~title of each ballot measure must state the specific purposes for which~~  
27 ~~the proposed levy increase shall be used, and funds raised under this~~  
28 ~~levy shall not supplant existing funds used for these purposes;~~

29 (~~e~~) Limit the purpose for which the increased levy is to be made,  
30 but if the limited purpose includes making redemption payments on  
31 bonds, the period for which the increased levies are made shall not  
32 exceed nine years;

33 (~~d~~) (c) Set the levy at a rate less than the maximum rate  
34 allowed for the district; or

35 (~~e~~) ~~Provide that the maximum allowable dollar amount of the final~~  
36 ~~annual levy of the period specified in the measure shall be used to~~  
37 ~~compute the limitations provided for in this chapter on levy increases~~  
38 ~~occurring after the expiration of the period; or~~

1       ~~(f)~~) (d) Include any combination of the conditions in this  
2 subsection.

3       ~~((4))~~ (5) Except as otherwise provided in an approved ballot  
4 measure under this section, after the expiration of a limited period  
5 under subsection (4)(a) of this section or the satisfaction of a  
6 limited purpose under subsection (4)(b) of this section, whichever  
7 comes first, subsequent levies shall be computed as if:

8       (a) The limited proposition under subsection ~~((3))~~ (4) of this  
9 section had not been approved; and

10       (b) The taxing district had made levies at the maximum rates which  
11 would otherwise have been allowed under this chapter during the years  
12 levies were made under the limited proposition.

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